



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2020-0300

HALTON HILLS HYDRO INC.

Application for Electricity Distribution Licence Amendment

BY DELEGATION, BEFORE: Brian Hewson
Vice President
Consumer Protection & Industry Performance

June 3, 2021

INTRODUCTION

Through this Decision and Order, the Ontario Energy Board (OEB) amends Halton Hills Hydro Inc. (HHHI) electricity distribution licence (ED-2002-0552), to exempt HHHI from compliance with section 6.5.3 of the Distribution System Code (DSC) until December 30, 2025. The exemption relates to the connection of 33 “load transfer”¹ customers who are currently located in HHHI’s licensed service area, but are physically served by Alectra Utilities Corporation (Alectra).

This Decision and Order is being issued by Delegated Authority, without holding a hearing pursuant to section 6(4) of the *Ontario Energy Board Act, 1998*.

BACKGROUND

Section 6.5.3 of the DSC came into force on December 21, 2015. It required distributors to eliminate all load transfer arrangements by June 21, 2017.

On June 15, 2017, in proceeding EB-2016-0366, the OEB issued a Decision and Order amending HHHI’s licence to exempt it from having to comply with section 6.5.3 of the DSC with respect to the 33 load transfer customers until December 30, 2020. These customers are located on the west side of Winston Churchill Boulevard, in HHHI’s licensed service area, but are connected to Alectra’s distribution system which is located on the east side of Winston Churchill Boulevard, in Alectra’s licensed service area. Winston Churchill Boulevard represents the border in this territory between the two distributors’ licensed service areas.

The grant of the temporary exemption in proceeding EB-2016-0366 was based on the OEB’s understanding that HHHI’s planned system expansion and hydro pole relocation relating to the 33 load transfer customers was part of a Distribution System Plan filed by HHHI, and approved by the OEB, in HHHI’s EB-2015-0074 cost of service proceeding. It was the OEB’s expectation that, upon completion of the joint-municipality directed road expansion project along Winston Churchill Boulevard, HHHI was to expand its distribution system in order to connect the 33 load transfer customers and eliminate the load transfer arrangement with Alectra. It was also the OEB’s understanding that the

¹ A load transfer arrangement is a situation in which an electricity consumer located in the licensed service area of one distributor (the geographic distributor) is physically connected to and served by another distributor (the physical distributor).

hydro pole relocations relating to the 33 load transfer customers would be completed in 2019.

THE APPLICATION

On December 14, 2020, HHHI filed an application with the OEB for an extension of the temporary exemption from section 6.5.3 of the DSC with respect to the 33 load transfer customers. HHHI advised that it could not connect these customers to its distribution system before the exemption's expiry due to delays in the construction of the joint pole line, which is part of a larger project being undertaken jointly by the Regional Municipality of Halton and Regional Municipality of Peel (Municipalities). HHHI stated that "current approvals to construct the joint pole line are dependent upon two (2) Regional governments (Region of Halton and Region of Peel) in addition to Government of Ontario involvement".

On December 23, 2020, the OEB issued an interim decision and order granting an interim extension until the earlier of the date the OEB issues a final decision on the application or June 30, 2012. The OEB stated that it allowed the interim extension in order to provide HHHI with additional time to complete its application and to file supplementary information in support of the extension of the exemption.

On April 5, 2021, HHHI filed additional information providing more detailed reasons for delays with the project completion and estimated timelines for the extension of the current exemption. On April 14, 2021, the Corporation of the Town of Halton Hills filed a letter in support of HHHI's application.

HHHI submits that the road expansion project is municipally driven, and both Alectra and HHHI are fully reliant on the Municipalities' timelines. HHHI stated that it would not be prudent to build the infrastructure to come into compliance with section 6.5.3 of the DSC with respect to the 33 load transfer customers before the Municipalities go ahead with the project as it would be required to move the poles at cost to the ratepayers once the Municipalities start the road work. With respect to the term of the exemption, HHHI requested the exemption to be extended for an additional five years considering that the road extension project is still in its early Environmental Assessment stage.

FINDINGS

The OEB finds that HHHI has reasonably justified its request to extend the current exemption from section 6.5.3 of the DSC, with respect to the 33 load transfer

customers, due to circumstances outside HHHI's control. HHHI has provided evidence demonstrating that completion of its planned distribution system expansion and pole relocation project is dependent on completion of the road improvement project being undertaken jointly by the Regional Municipality of Halton and Regional Municipality of Peel that has been significantly delayed and has not proceeded in accordance with initial timelines. Due to the municipal road expansion project delays, HHHI has not been able to prudently proceed with building distribution infrastructure necessary to connect the 33 load transfer customers. Therefore, the OEB finds that HHHI's application to amend its licence for an extension of the exemption from section 6.5.3 of the DSC, with respect to the 33 load transfer customers, should be granted. The exemption shall remain in place until December 31, 2025 or until HHHI has physically connected to the 33 load transfer customers, whichever is earlier.

HHHI is expected to inform the OEB of the completion of the project and its connection of the 33 load transfer customers within 30 days of completion.

IT IS ORDERED THAT:

1. Halton Hills Hydro Inc.'s exemption from section 6.5.3 of the Distribution System Code, in relation to 33 load transfer customers identified in Appendix A to this Decision and Order, initially granted under Order EB-2016-0366, is extended until December 30, 2025.

DATED at Toronto June 3, 2021.

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

APPENDIX A

Load transfer customers for which Halton Hills Hydro Inc. is granted an exemption from section 6.5.3 of the Distribution System Code until December 31, 2025:

1. 33 customers located on Winston Churchill Boulevard with the following municipal address numbers:

9118, 9190, 9206, 9218, 9250, 9278, 9294, 9296, 9362, 9368, 9402, 9420, 9438, 9446, 9550, 9564, 9580, 9584, 9590, 9610, 9616, 9618, 9626, 9636, 9652, 9674, 9690, 9714, 9734, 9738, 9754, 9774 and 9792.